

The Honorable Tim Bishop
Five Minute Statement
U.S. House of Representatives
September 19, 2006

Mr. Speaker, I thank the gentleman from Alabama (Mr. Davis) for organizing this series of five minute statements and for his leadership on this issue.

Two weeks short of the end of fiscal year 2006 and with no budget for fiscal 07 in place or in sight, I commend my distinguished colleagues on the Budget Committee for taking this time to call America's attention to our fiscal challenges resulting from the Republicans' misguided policies and the wrong choices they've made for our economy.

Misplaced spending priorities and bad decisions have consequences: They are leading us further down the path to fiscal ruin and expanding the wedge between middle class families and the super wealthy.

I'm proud to join my colleagues to highlight the hypocrisy of the overriding Republican economic philosophy – that extending dividend, capital gains, and other tax cuts for millionaires and corporations is like a rising tide that lifts all boats.

Five years after the President's \$1.5 trillion tax cut, our national debt now approaches \$10 trillion. If our tax cuts performed as promised across the aisle, an exploding economy would have wiped out this debt.

We've already proved more needs to be done than just hope sooner or later tax cuts will reach Americans who need our help the most. But those who do must get in line and hope that the benefits of tax cuts for millionaires and corporations will ultimately trickle down to them.

Perhaps the expanding gulf between the "have's" and the "almost-have's" is best illustrated by the fact that wages and salaries now make up the lowest share of GDP since the government began keeping records on that in 1947, while corporate profits continue breaking all-time records. Meanwhile, the buying power of the minimum wage has sunk to its lowest level in 50 years.

What's missing are policies that ensure the benefits of higher corporate earnings, productivity, and globalization are widely shared – such as real government support for higher education, a progressive tax code, and affordable health care.

When choices are made at the expense of our safety net – to benefit the top one percent, who will never struggle to pay a mortgage, keep up with gas prices, or put their children through school – it's clear that a new direction for our economy is long overdue.

How can the Republicans argue this economy is bound for the right direction when our nation is saddled with record-breaking deficits over four consecutive years combined with deep and painful cuts to hospitals, schools, and security?

At least the Republican's budget outlook since 2001 has been consistent: Americans could bank on the Republican budgets to slash funding for proven homeland security programs, veterans' benefits, education and health care priorities – all while cutting taxes for millionaires who need a break the least.

As real life indicators of poor federal spending choices – such as stagnant wages, soaring crimes rates, and rising health care premiums and drug prices – begin to take their toll on Americans, it is our responsibility to react. Instead, inaction reigns under the direction of the current leadership.

In some cases, inaction has yielded to half-hearted solutions, such as an energy bill that does more for oil and gas companies than lower gas prices; a Medicare bill that does more for drug companies and HMO's than make life-saving drugs affordable; and a pension bill that takes it easy on corporate boards while ignoring the decline of traditional defined-benefit plans.

Eleven days away from the start of the fiscal year, the record of this Republican Congress on the economy shows that we haven't completed a budget or a single appropriations bill. And fiscal irresponsibility has reached unprecedented new lows – or new highs, depending how you look at it: The debt limit has been raised for the fifth time in as many years to almost \$10 trillion.

Perhaps we shouldn't be worried. After all, the President's deputy budget director said last month that \$200 billion budget deficits are "sustainable indefinitely." Apparently, normal budget rules don't apply to this Administration.

But they do apply to a middle class family of four living on Long Island whose monthly cost-of-living expenses – due mostly to rising gas prices and health care costs – are rapidly exceeding wage increases. Perhaps their creditors and collection agents will understand that outstanding debts owed by families sinking deeper into red ink are sustainable indefinitely.

We can fix this mess. We have the blueprint; a new direction for America. And we only need look to past and proven methods, like the pay-as-you-go budget rules that were enforced by the previous Administration and produced surpluses that helped us start buying down our national debt.

Indeed, we Democrats resolve to restore what should be the goals of our federal budget – to reflect the priorities of our nation, to build a strong economy, and to set policies that reflect the values and priorities of mainstream America.

Mr. Speaker, I look forward to working with the gentleman from Alabama, our ranking member from South Carolina, and my other colleagues who recognize that it's long past time to reverse course on this economy and support a new direction for America.